

SCRIPPS TO SELL CINCINNATI PAPER

Financial Services Company
Will Buy The Enquirer

CINCINNATI, Feb. 19 — The E. W. Scripps Company has agreed to sell control of this city's morning and Sunday newspaper, The Enquirer, to the American Financial Corporation.

A joint announcement of that agreement was made here today by Jack Howard of New York City, president of the E. W. Scripps Company, and Carl H. Lindner, chairman and president of the American Financial Corporation.

The 60 per cent of The Enquirer that is owned by the E. W. Scripps Company consists of 502,000 shares and the offer is at \$40 a share, totaling \$20,080,000.

The American Financial Corporation also has promised Scripps to pay \$40 a share to the holders of the other 40 per cent, totaling 332,000 shares, or \$13,280,000, bringing the total selling price to \$33,360,000.

Antitrust Action

The sales agreement announced today is subject to approval by either the Department of Justice or the Federal District Court here as part of a pending civil antitrust action. Approval by the Federal Reserve Board is also required under a 1971 amendment to the Bank Holding Act of 1956.

The amendment provides that a bank holding company that acquires a nonbanking company must divest itself within 10 years either of the bank or the nonbanking company.

American Financial is a Cincinnati-based financial services company with holdings in banks, savings and loans companies, home building and insurance.

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The Federal action resulting in the proposed sale to American Financial was brought by the federal government to compel Scripps to divest itself of ownership of The Enquirer on the ground that Scripps' ownership of the only two dailies in this city—The Enquirer and The Post and Times-Star—was in violation of the antitrust act.

Right of Approval

Scripps agreed in 1968 to sell The Enquirer and the Justice Department won the right of approval of the purchaser as a means of safeguarding that newspaper's future.

On Feb. 9, it had been announced that the Blue Chips Stamps Company of California had offered \$40 for each share of Enquirer stock. American Financial Corporation made a similar offer a few days later.

Charles F. Scripps of Cincinnati, chairman of the E. W. Scripps Company, said today that his company had decided to sell to American Financial because it was a Cincinnati company and provided the best price available for all Enquirer shareholders. Mr. Lindner is president of the Provident Bank as well as of the American Financial Corporation.

The corporation announced that it planned no personnel changes at The Enquirer.